

WATER USE AGREEMENT

This Agreement entered into between _____
(User's Name)

whose address is, _____
hereinafter called "USER", and the Breathitt County Water District whose address is 1137 Main Street, Suite 305, Jackson KY 41339, hereinafter called the "SUPPLIER".

WHEREAS, the USER desires to purchase water from the SUPPLIER, the USER hereby enters into this water USER'S agreement as required by the Bylaws of the SUPPLIER, as applicable.

NOW THEREFORE, in consideration of mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

The SUPPLIER shall furnish, subject to the limitations set out in its Bylaws, Rules and Regulations now in force or as hereafter amended such quantity of water as the USER may desire in connection with the property to be served by this agreement.

The property to be served is a _____
(residence, mobile home, ect.)

located on, _____
(Street, Road, ect.)

The USER shall install and maintain at his own expense, a service line, which shall begin at the meter and extend to the dwelling or place of use. The location of the water meter on the property will be determined by the SUPPLIER. The SUPPLIER shall purchase and install a cutoff valve and a water meter. The SUPPLIER shall have exclusive right to use such cutoff valve and water meter.

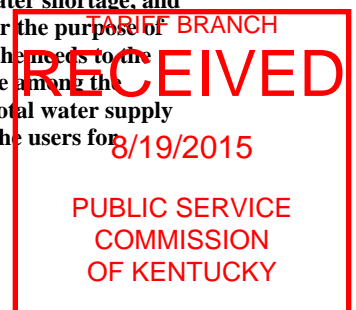
The USER shall connect his service line to the water distribution system and shall commence to use water from the system on the date the water is available to him. **WATER CHARGES TO THE USER WILL COMMENCE ON THE DATE THE SERVICE IS MADE AVAILABLE BY THE SUPPLIER, REGARDLESS OF WHETHER THE USER IS CONNECTED TO THE SYSTEM.**

The USER agrees to pay a connection fee of \$_____ to the SUPPLIER, but the property covered by this agreement is not reached by the SUPPLIER'S water line, the connection fee will be fully refunded to the USER. Construction of the water lines to serve the property covered under this agreement depends upon feasibility, availability of funds for construction and approval of all local, state and federal agencies having jurisdiction over this type of facility. **THE SUPPLIER DOES NOT GUARANTEE WATER WILL BE MADE AVAILABLE TO THE USER.**

The USER agrees to comply with and be bound by the Articles, Bylaws, Rules and Regulations of the SUPPLIER, now in force or as hereafter duly and leally supplemented, amended or changed. The user agrees to pay for water at such rates, time and place as shall be determined by the SUPPLIER, and agrees to the imposition of such penalties for noncompliance as are now set out in the SUPPLIER'S Bylaws, Rules and Regulations, or which have been or hereafter be adopted and imposed by the SUPPLIER.

In the event the USER shall breach this agreement by refusing or failing, without just cause, to connect his service line to SUPPLIER'S distribution system as set forth above, the USER agrees to pay the SUPPLIER a lump sum of FIVE HUNDRED DOLLARS (\$500.00) as liquidated damage. It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the USER in either of the respects set forth above would cause serious and substantial damages to the SUPPLIER, and it would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The SUPPLIER shall determine the allocations of the water to the USER in the event of a water shortage, and may shut off water to the USER if he allows a connection or extension to be made of his service line for the purpose of supplying water to another party. In the event the total water supply shall be insufficient to meet all the needs of the users, or in the event that there is a shortage of water, the SUPPLIER may prorate the water available among the various users on such basis as deemed equitable by the GOVERNING BODY, and if at any time the total water supply shall be insufficient to meet all of the users, the SUPPLIER must first satisfy all of the needs of all of the users for



domestic purposed before supplying any water for livestock purposes and must satisfy all the needs of all users for both domestic and livestock purposes before supplying any water for garden purposes.

The USER agrees that no present or future source of water will be connected to any water lines served by the SUPPLIERS water lines and will be disconnected from his present water supply prior to connecting to and switching to the SUPPLIER'S system and shall eliminate present or future cross-connections in his system.

The failure of the USER to pay water charges duly imposed shall result in the automatic imposition of the following penalties:

1. Nonpayment within ten days from the due date will be subject to a penalty of 10 percent of the delinquent account.
2. Nonpayment within thirty days from the due date will result in the water being shut off from the USER'S property.
3. In the event it becomes necessary for the SUPPLIER to shut off the water from the USER'S property, a fee of \$50.00 will be charged for a reconnection of the service.

It is understood and agreed that the SUPPLIER reserves the right to determine the size of service connection to be used to supply water to the USER. A 5/8-inch by 3/4-inch meter will be used unless the USER contracts' for a larger meter. A separate meter must be installed for each residence. A separate contract will be used by mobile home parks when mobile homes are not supplied individual meters.

The USER agrees to grant the SUPPLIER, its successors and assigns, a perpetual easement in, over, under, upon land owned by the USER, with the right to erect, construct, install and lay and thereafter use, inspect, repair, maintain, replace, and remove water line pipes and appurtenant facilities, together with the right to utilize adjoining lands belonging to the USER for the purpose of ingress to and egress from said lands.

If the SUPPLIER has not received a commitment of sufficient loan and/or grant funds to construct this project by _____, the connection fee or the advance deposit, as the case may be, will be refunded to
(Date)
the USER upon request. If the SUPPLIER has incurred any obligations for engineering, legal assistance or feasibility, up to \$0.00 of the connection fee or the advance deposit may be retained by the SUPPLIER to pay toward these obligations, with balance refunded in full to the USER.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____ 20____.

WITNESS:

(Water User)

ATTEST:

(Water User's Spouse)

(_____)_____
(Water User's Telephone #)

Breathitt County Water District
(Supplier)

By: Bobby Thorpe

(Title)

